Handing over of Kargil airport to Defence Ministry

654. SHRI K. KALAVENKATA RAO: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government have decided to hand over Kargil Airport to the Defence Ministry;

(b) if so, the reasons therefor;

(c) whether civilian traffic will be put to inconvenience by this decision; and

(d) if so, the steps taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK): (a) and (b) Yes, Sir. Due to strategic location of Kargil near the Indo-Pak border, the operational control of Kargil airport has been handed over to the Ministry of Defence (Indian Air Force) by Airports Authority of India (AAI).

(c) and (d) No, Sir. Indian Air Force (IAF) have decided to start their flights for civilian passengers in their aircraft from Jammu and Srinagar to Kargil, for which AAI has extended all necessary assistance.

Assured return of US-64

655. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that UTI is going to inherit US-64;

(b) whether it is also a fact that Government has assured return of Rs. 12 for the first 5000 Units and Rs. 10/- per Unit for holding over 5000 units after May, 2003;

(c) whether it is also a fact that the sick US-64 Unit's current market value is hovering at Rs. 6.20;

(d) if so, the amount of money Government would have to pay to compensate for the loss of US-64; and

(e) the steps being taken to enhance the value of US-64?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Under the provisions of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002, the erstwhile Unit Trust of India has been bifurcated, with effect from 1st Feburary, 2003, into (a) the "specified undertaking" *viz* UTI-I, comprising of schemes mentioned in Schedule-I of the above Act and managed by Government appointed Administrator, and (b) the "specified company" *viz* UTI-II, comprising of NAV based schemes mentioned in Schedule-II of the above Act. US-64 is with the specified undertaking.

(b) Yes, Sir.

(c) The NAV of US-64 was Rs. 6.03 as on 19th February, 2003.

(d) The liability on account of US-64 to the Government was estimated to be about Rs. 6,000 crores in August 2002, which could vary depending upon the market conditions.

(e) The NAV of a scheme depends upon the market value of the underlying assets and liabilities, which would vary depending upon the market conditions.

Guarantee on AP's loan from World Bank

656. SHRI RUMANDLA RAAMACHANDRAYYA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have conveyed its guarantee on Andhra Pradesh's loan from World Bank last year; and

(b) if so, the amount of loan sought by Andhra Pradesh Government from World Bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) As all loans for projects of Andhra Pradesh as indeed for all other States, from the World Bank last year were taken by Government of India and on-lent by Government of India to Government of Andhra Pradesh, there was no requirement or occasion to provide any guarantee for those loans.

(b) Does not arise, as no loan to be guaranteed by Government of India was sought by Government of Andhra Pradesh.